

Order Instituting Rulemaking into	)	
Implementation of Public Utilities Code Section	)	R.99-11-022
390	)	(filed November 18, 1999)
	)	
	)	

FILING OF SOUTHERN CALIFORNIA EDISON COMPANY (U338-E),
MONTHLY REPORT ON AVOIDED COST ENERGY PRICING EFFECTIVE
MARCH 1, 2008 – MARCH 31, 2008 PURSUANT TO D.01-03-067

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March 2008

## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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390	)	(filed November 18, 1999)
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Pursuant to the California Public Utilities Commission's ("CPUC" or "Commission") Decision Nos. 02-10-009 and D. 01-03-067, attached is SCE's filing of the Monthly Report on Avoided Cost Energy Pricing effective March 1, 2008 through March 31, 2008. The effective date of this posting is March 1, 2008. This posting is made in compliance with the revised formula adopted by the Commission on March 27, 2001, in Decision No. 01-03-067 and D. 02-10-009. Notwithstanding this posting made in compliance with such decision, SCE reserves all rights and remedies available to it to continue to contest the lawfulness of the Commission's short-run avoided cost methodology, as so revised.

Questions regarding the calculations themselves may be directed to Eric Lavik at the address below or (626) 302-9568.

Respectfully submitted,

/s/ Gloria M. Ing

BY: Gloria M. Ing SOUTHERN CALIFORNIA EDISON COMPANY

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#### **CERTIFICATE OF SERVICE**

I hereby certify that, pursuant to the Commission's Rules of Practice and Procedure, I have this day served a true copy of the FILING OF SOUTHERN CALIFORNIA EDISON COMPANY (U338-E), MONTHLY REPORT ON AVOIDED COST ENERGY PRICING EFFECTIVE MARCH 1, 2008 – MARCH 31, 2008, PURSUANT TO D.01-03-067 on all parties identified on the attached service list. Service was effected by one or more means indicated below:

Placing the copies in sealed envelopes and causing such envelopes to be delivered by hand or by overnight courier to the offices of the Commission or other addressee(s).

Directing Reprographics to place the copies in properly addressed sealed envelopes and to deposit such envelopes in the United States mail with first-class postage prepaid to all parties.

Executed this 5th day of March, 2008 at Rosemead, California.

\_/s/ Melissa Schary
Melissa Schary
Project Analyst
SOUTHERN CALIFORNIA EDISON COMPANY

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# SHORT RUN AVOIDED COST ENERGY PRICE UPDATE FOR QUALIFYING FACILITIES Filed March 5, 2008 Effective March 1, 2008 - March 31, 2008

Enclosed are the capacity and energy price schedules for purchases from Qualifying Facilities pursuant to Standard Offers and other contracts with Southern California Edison Company, effective March 1, 2008 - March 31, 2008

This posting is made in compliance with the revised formula adopted by the Commission on March 27, 2001 in Decision No. 01-03-067. Notwithstanding this posting made in compliance with such decision, SCE reserves all rights and remedies available to it to continue to contest the lawfulness of the Commission's short-run avoided cost methodology, as so revised.

#### **GENERAL INFORMATION**

If you have any questions, please direct your inquiries to Southern California Edison Company, QF Resources, P.O. Box 800, Rosemead, California 91770. Or you may call the QF Information Line at (626) 302-1950. SCE's SRAC Posting may be viewed electronically at SCE's home page http://www.sce.com/AboutSCE/Regulatory/qualifyingfacilities/dataanddocuments.htm

#### AVOIDED COST CAPACITY PRICES FOR QUALIFYING FACILITIES

Pursuant to California Public Utilities Commission ("CPUC") Decision 96-12-051, the Capacity Schedule for As-Available Capacity for Standard Offer Nos. 1 and 3 reflects SCE's shortage cost of \$4.93/kW-year, which is based on an Energy Reliability Index of 0.1. Shortage costs are determined by adjusting the costs avoided by deferral of combustion turbines using an Energy Reliability Index and will remain in effect until revised pursuant to the Commission's directions. The schedule includes future escalations of capital costs and operation and maintenance costs. Per D.82-01-103, capacity payments are reduced 50% for projects under Standard Offer No. 3 with no time of delivery meters.

#### CAPACITY PAYMENT SCHEDULE FOR AS-AVAILABLE POWER PURCHASES

Time Differentiated Payments			Non-Time Differentiated Payments		
Costing F	Period	Capacity Payments	Costing Period	Capacity Payments	
		(cents/kWh)		(cents/kWh)	
Summer	: On-Peak	0.69	Summer	0.07	
	Mid-Peak	0.08			
	Off-Peak	0.00			
Winter:	Mid-Peak	0.03	Winter	0.01	
	Off-Peak	0.00			
	Super-Off-Peak	0.00			

#### MONTHLY CONVERSION FACTORS

The factors to convert annual capacity prices (\$/kW-year) to time period of delivery prices are as follows:

	On-Peak	Mid-Peak	Off-Peak	Super-Off-Peak
Summer	0.1792	0.0310	0.0006	-
Winter	-	0.0178	0.0011	0.0007

#### Southern California Edison Company SHORT RUN AVOIDED COST ENERGY PRICE UPDATE FOR QUALIFYING FACILITIES

#### Pursuant to D.96-12-028, as modified by D.01-03-067 March 1, 2008 - March 31, 2008

SRAC Formula

Pn = {PBase + (PBase \* (<u>GPn - GPBase</u>) \* Factor)} \* TOU GPBase

	SR.	AC	
	Method	Methodology	
	Winter	Summer	
On-Peak	-		
Mid-Peak	10.7945		
Off-Peak	8.2928		
Super-Off-Peak	6.8745		
Time Period Weighted Average	8.8589	_	

Values will be adjusted for line losses in accordance with D.01-01-007

Pn	<ul> <li>Energy price in cents/kWh which is calculated based on substituting the variables below into the SRAC formula.</li> </ul>				
PBase	=	Base Energy Price		2.0808 cents/kWh	
GPn	=	The simple average of natural gas market price indices from Natural Gas Week, Natural Gas Intelligence and BTU's Daily Gas Wire at the Malin, Oregon location, plus PG&E G-AAOFF tariff rate.			
		Simple Average = Shrink (0.90%)	Malin 8.5533 0.0777		
		PG&E Tariff G-AAOFF	0.3599	8.9909 \$/MMBtu	
GPBase	=	Base Gas Price		1.3975 \$/MMBtu	
GTn	=	Intrastate Transportation  GT-F5  ITCS  G-MSUR  0.015534 * 0.984466 * 8.9024	0.3471 -0.0005 0.1361	0.4827 \$/MMBtu	
IER	=	Incremental Energy Rate		9140 Btu/kWh	
O&M	=	Variable Operations and Maintenance adder (((IER * (GPn + GTn))/10,000) + O&M) - Pbase		0.2000 cents/kWh	
Factor	=	Pbase * ((GPn - GPbase)/GPbase)		0.5995	
TOU	=	Summer On-Peak Summer Mid-Peak = ( Total # hrs in month - (1.4251 * # Summer On-Peak hrs in month) - (0.8526 * # Summer Off-Peak hrs in month) ) / # Summer Mid-Peak hrs in month		1.4251	
		Summer Off-Peak		0.8526	
		Winter Mid-Peak Winter Off-Peak = ( Total # hrs in month - (1.2185 * # Winter Mid-Peak hrs in month) -		1.2185	
		(0.7760 * # Winter Super-Off-Peak hrs in month) ) /		0.9361	
		# Winter Off-Peak hrs in month Winter Super-Off-Peak		0.7760	

#### SEASON AND TIME PERIOD DEFINITIONS

			# of Hours		
	Summer	Winter		3/1/08 - 3/31/2008	
Time Period	June 1 - September 30	October 1 - May 31		Winter	Summer
On-Peak	Noon - 6:00 p.m.	n/a	Weekdays except Holidays	0	0
Mid-Peak	8:00 a.m Noon	8:00 a.m 9:00 p.m.	Weekdays except Holidays	273	0
	6:00 p.m 11:00 p.m.		Weekdays except Holidays	0	0
Off-Peak	11:00 p.m 8:00 a.m.	6:00 a.m 8:00 a.m.	Weekdays except Holidays	42	0
		9:00 p.m Midnight	Weekdays except Holidays	63	0
	Midnight - Midnight	6:00 a.m Midnight	Weekends & Holidays	180	0
Super-Off-Peak	n/a	Midnight - 6:00 a.m.	Weekdays, Weekends & Holidays	<u>185</u>	0
			Total	743	0

2008 Holidays: New Year's Day (1/1), Presidents' Day (2/18), Memorial Day (5/26), Independence Day (7/4), Labor Day (9/1), Veterans Day (11/11), Thanksgiving Day (11/27) and Christmas Day (12/25). When any holiday listed above falls on Sunday, the following Monday will be recognized as an off-peak period. No change will be made for holidays falling on Saturday.

### **R.99-11-022 BRPU** Wednesday, March 5, 2008

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JOHN D CHANDLEY CALIFORNIA ENERGY COMMISSION 1516 NINTH STREET MS 14 SACRAMENTO, CA 95184 R.99-11-022 BRPU

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MARK FILLINGER ENRON ENERGY SERVICE 1400 SMITH ST #ECN1216 HOUSTON, TX 77002-7327 R.99-11-022 BRPU

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#### R.99-11-022 BRPU

Wednesday, March 5, 2008

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ENERGY DIVISION CPUC 505 VAN NESS AVENUE SAN FRANCISCO, CA 94102-3214 R.99-11-022 BRPU